

WPPSEF

WEST PENN POWER
SUSTAINABLE
ENERGY FUND

The Pennsylvania State University • EMS Energy Institute • C-211 CUL • University Park, PA 16802-2323 • (814) 865-4802 - phone • (814) 863-7432 – fax

October 11, 2011

Secretary Rosemary Chiavetta
Pennsylvania Public Utilities Commission
Commonwealth Keystone Building
2nd Floor, Room N-201
400 North Street
Harrisburg, PA 17120

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OCT 11 2011

M-00031715 F005

Re: Docket Number-R00973981

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dear Ms. Chiavetta,

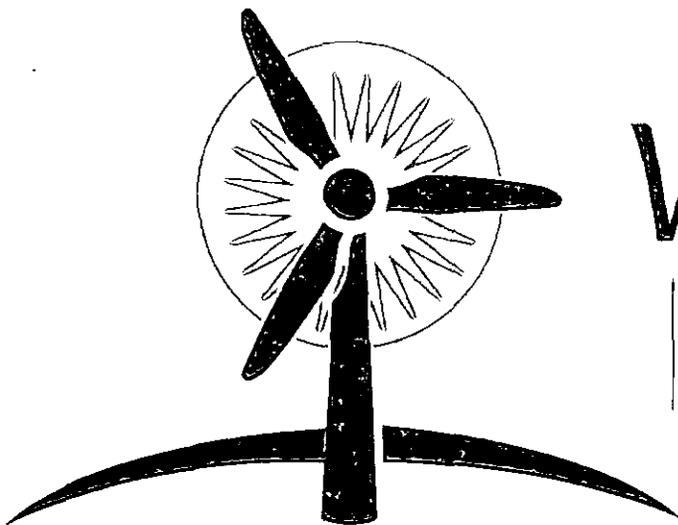
On behalf of the West Penn Power Sustainable Energy Fund (WPPSEF), please accept the Fund's enclosed annual reports for 2009 and 2010. They will be posted to the West Penn Power Sustainable Energy Fund website later this week. I would like to thank the PUC Commissioners and staff for all of the guidance and assistance that they have provided to the Fund.

Respectfully submitted,

Joel L. Morrison

Cc: John Skiavo, Economic Growth Connection of Westmoreland County

**The 2009 Annual Report of the
West Penn Power Sustainable Energy Fund**



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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

PREPARED BY:
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EMS ENERGY INSTITUTE
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SUBMITTED BY:
THE WEST PENN POWER SUSTAINABLE ENERGY FUND
ECONOMIC GROWTH CONNECTION OF
WESTMORELAND COUNTY
40 NORTH PENNSYLVANIA AVENUE, SUITE 510
GREENSBURG, PA 15601
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INTRODUCTION AND HIGHLIGHTS

In 2009, the West Penn Power Sustainable Energy Fund (WPPSEF) entered its eighth year of providing funding to:

- Promote the use of renewable and clean energy;
- Promote energy conservation and energy efficiency; and
- Promote the start-up, attraction, expansion, and retention of sustainable energy businesses.

The WPPSEF activities continued to increase from previous years as its programs and initiatives became more visible within the West Penn Power (WPP) service region and across the Commonwealth. During 2009, the WPPSEF Board approved \$1,374,650 to co-fund 20 funding requests. Key accomplishments in 2009 include:

Investing in clean energy. The WPPSEF committed \$500,000 to support the expansion of Plextronics Plexcore PV printed solar manufacturing technology. Plexcore PV is an advanced ink system for use in printed solar power systems.

The WPPSEF also committed co-funding to support the installation of a 20 kW solar photovoltaic (PV) system at Saint Vincent College in Latrobe, PA. The solar PV system will be part of a major new construction/ renovation project at the College. The project involves the construction of a 45,000 ft² science facility and the renovation of approximately 60,000 ft² of adjacent facilities. Saint Vincent is constructing to LEED-design standards.

Investing in energy efficiency. The WPPSEF continues the support of its PA Home Energy program by allocating up to \$750,000 for program support in 2009. PA Home Energy is focused on establishing ENERGY STAR residential building programs in PA. PA Home Energy uses ENERGY STAR Qualified Homes for new home construction and Home Performance with ENERGY STAR to service existing housing stock. The WPPSEF is the U.S. Environmental Protection Agency (EPA) Home Performance with ENERGY STAR Program Sponsor for Pennsylvania. Each year, the EPA and the US Department of Energy (DOE) honor organizations that have made outstanding contributions to protecting the environment through energy efficiency. The goal of this award is to recognize

comprehensive, high performing energy efficiency programs that have directly leveraged ENERGY STAR to achieve significant impact in the marketplace for advancing energy efficiency. The WPPSEF was formally recognized by EPA in 2009 and PA Home Energy received a *Special Recognition for Excellence in Home Performance with ENERGY STAR* award for its 2008 program achievements. This recognition was a nationally competitive award.

Investing in education and public outreach. In 2009, the WPPSEF made several commitments to support local and national organizations through membership commitments. In addition, the WPPSEF worked with Penn State's Learning Factory to explore the design and prototyping of a residential energy dashboard.

The WPPSEF has strived to maintain a balance of funding to support clean energy generation, energy efficiency and conservation, and public education/ outreach. In all three of these categories, the WPPSEF seeks to support job growth whenever possible. Figure 1-3 provide an illustrative example of selected WPPSEF funded projects.



Figure 1. 2009 Solar Decathlon Competition (Washington D.C., October 2009)



Figure 2. Uniontown Family Homes (Uniontown, PA - Thirty New Energy Star Qualified Homes Assisted by PA Home Energy Program, November 2009)



Figure 3. South Sixth Street Project, (Jeanette, PA - Nine New Energy Star Qualified Homes Assisted by PA Home Energy Program, September 2009).

FINANCIAL APPROVALS

The WPPSEF financial approvals in 2009 can be broken down into the following categories: loans, strategic initiatives developed by the WPPSEF, and grants (includes grants, sponsorships, memberships).

Loans

Business	Amount	Comments
Plextronics, Inc.	\$500,000	Funding to expand OLED/OPV vapor deposition equipment.
<i>Investment Total</i>	<i>\$500,000</i>	

Strategic Initiatives

Business	Amount	Comments
PA Home Energy	\$750,000	WPPSEF continues to support and deploy ENERGY STAR construction programs that utilize a comprehensive whole house approach to improve residential energy efficiency (ENERGY STAR Qualified Homes for new home construction and Home Performance with ENERGY STAR for existing homes). PA Home Energy is training Service Providers to both RESNET and BPI standards.
<i>Total Strategic Initiatives</i>	<i>\$750,000</i>	

Grants/ Memberships/ Sponsorships

Business	Amount	Comments
Saint Vincent College	\$100,000	Installation of 20 kW solar PV system on LEED Gold Designed Science Center
Learning Factory (Penn State)	\$7,500	Student research/ prototype development of residential home energy dashboard
American Wind Energy Association	\$500	2009 & 2010 Memberships
Pellet Fuels Institute	\$1,000	2009 & 2010 Memberships
PA Housing Research Center	\$2,000	2009 & 2010 Memberships
American Solar Society	\$200	2010 Membership
PA Sustainable Agriculture Association	\$200	2009 & 2010 Memberships
Alternative Fuels Renewable Energy Council	\$1,500	2009 & 2010 Memberships

Penn Future Center for Sustainability	\$7,500	2009 Membership/ Conference Sponsorship
Efficiency First	\$2,000	2009 & 2010 Memberships
Green Building Association of Central PA	\$2,250	2009 & 2010 Memberships
Total Grants/ memberships/ sponsorship	\$124,650	

WPPSEF ADMINISTRATION

The WPPSEF administration consists of a seven-member board of directors that provides oversight to the Fund and an administrative staff that oversees the day-to-day operations. Individual board members are selected by the Fund through a search and external nomination process. The WPPSEF Board reviews all applicants and then submits their recommendation to the Pennsylvania Public Utility Commission for final approval. All of the board members serve on a volunteer basis.

The WPPSEF Board of Directors as of December 31, 2009, was:

- Michele Ponchione, *President*
 - ▶ World Kitchen
- Cassandra Robinson, *Vice President*
 - ▶ Allegheny Power
- Rob Hosken, *Secretary*
 - ▶ Building Performance Architecture
- Pat O'Brien, *Treasurer*
 - ▶ First Federal Bank of Monessen
- John Walliser
 - ▶ Pennsylvania Environmental Council
- Jim Stark
 - ▶ Fayette County Community Action Agency

As of December 31, 2009 the WPPSEF has one board seat vacancy. This position is currently being filled using the Best Practice Guidelines for the Nomination, Election, and Approval of Directors developed by the Pennsylvania Sustainable Energy Board.

The WPPSEF Board of Directors selected The Pennsylvania State University Energy Institute to serve as the Fund's administrator and the Economic Growth Connection of Westmoreland to provide financial services to the Fund. In addition, the Fund utilizes the services of external consulting firms on an as-needed basis.

The WPPSEF staff as of December 31, 2009, was:

- Joel Morrison and Barbara Robuck
 - ▶ The Pennsylvania State University (The EMS Energy Institute)
- John Skiavo, James Smith, and Carolyn Berkey
 - ▶ Economic Growth Connection of Westmoreland

WPPSEF BOARD MEETINGS

The WPPSEF schedules its board meetings at the beginning of each calendar year. Full board meetings are scheduled for every two months. In addition, the WPPSEF Board has developed three ad-hoc working groups (administrative, investment, and grantmaking) that meet on an as-needed basis.

In 2009, the WPPSEF Board of Directors met on:

- February 12 (Greensburg, PA)
- April 9 (Greensburg, PA)
- June 18 (Greensburg, PA)
- August 13 (Pittsburgh, PA)
- October 8-9 (Bethesda, MD)
- December 10 (Charleroi, PA)

WPPSEF WEB SITE

The WPPSEF web site is updated throughout the calendar year as new projects are funded and programs developed. The WPPSEF Web site is at <http://www.wppsef.org>.

WPPSEF LOGO REDESIGN

The WPPSEF logo was redesigned in the summer of 2008 and the new design was approved on November 14, 2008. The use of the new WPPSEF logo was launched on January 1, 2009.

PLANNED 2010 ACTIVITIES

The WPPSEF will focus on two broad categories in the 2010 timeframe. They are:

Bioenergy. The WPPSEF will continue to seek out projects that use Pennsylvania indigenous biomass resources for the production of clean power/ heat generation. The WPPSEF will expand its efforts to seek out investment opportunities in residential, commercial, and light industrial applications for bioenergy.

Energy Efficiency. The WPPSEF will continue to work on laying a solid foundation for the PA Home Energy program in 2010. The WPPSEF will work with AFC First Financial to begin the transition of the PA Home Energy program to the private sector.